

GOVE COUNTY

GOVE, KANSAS

FINANCIAL STATEMENT For the Year Ended December 31, 2012

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GOVE COUNTY, KANSAS
FINANCIAL STATEMENT
For the Year Ended December 31, 2012

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INDEPENDENT AUDITOR'S REPORT

June 28, 2013

County Commissioners
Gove County Courthouse
Gove, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the County of Gove, Kansas, as of and for the year ended December 31, 2012 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the County of Gove to meet the requirements of the State of Kansas on the basis of financial

reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the County of Gove, Kansas as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.

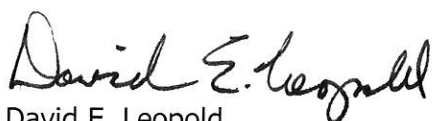
Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the County of Gove, Kansas as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Report of Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

This report is intended solely for the information and use of the County Commissioners and management of the County of Gove, Kansas, and for filing with the Kansas Division of Account and Reports and is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which upon acceptance by the County Commissioners, Gove, Kansas, is a matter of public record.



David E. Leopold
Certified Public Accountant

GOVE COUNTY, KANSAS

SUMMARY STATEMENT OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended December 31, 2012

| <u>Funds</u> | <u>Beginning Unencumbered Cash Balance</u> | <u>Receipts</u> | <u>Expenditures</u> | <u>Ending Unencumbered Cash Balance</u> | <u>Add Encumbrances And Accounts Payable</u> | <u>Ending Cash Balance</u> |
|---------------------------------|--|-----------------|---------------------|---|--|--------------------------------|
| Governmental Type Funds | | | | | | |
| General Fund: | \$ 749,113.21 | \$ 1,488,283.64 | \$ 1,641,272.00 | \$ 596,124.85 | \$ 21,849.39 | \$ 617,974.24 |
| Special Purpose Funds: | | | | | | |
| Road & Bridge | 895.98 | 1,788,336.04 | 1,788,996.57 | 235.45 | 4,723.42 | 4,958.87 |
| Noxious Weed | 504.98 | 168,422.45 | 168,644.00 | 283.43 | 133.99 | 417.42 |
| Mental Health | - | 25,580.37 | 25,580.37 | - | - | - |
| Hospital Maintenance | 19,216.10 | 624,143.42 | 612,000.00 | 31,359.52 | - | 31,359.52 |
| Developmental Services | - | 51,339.69 | 51,339.69 | - | - | - |
| Employee Benefits | 95,909.09 | 669,005.38 | 767,400.32 | (2,485.85) | - | (2,485.85) |
| Ag Extension Council | 3,532.39 | 4,009.56 | 7,541.95 | - | - | - |
| Noxious Weed Capital Outlay | 49,203.38 | 16,500.00 | - | 65,703.38 | - | 65,703.38 |
| Special Alcohol & Drug Programs | 12,284.74 | 1,111.04 | 200.00 | 13,195.78 | - | 13,195.78 |
| 911 Emergency Service | 56,688.01 | 3,020.08 | 3,911.50 | 55,796.59 | - | 55,796.59 |
| 911 Wireless | 7,685.27 | 14.24 | - | 7,699.51 | - | 7,699.51 |
| Special Machinery | 313,043.75 | 141,000.00 | 309,894.00 | 144,149.75 | - | 144,149.75 |
| Special Highway Improvement | 154,926.22 | 447,000.00 | 55,193.60 | 546,732.62 | - | 546,732.62 |
| Register of Deeds Tech | 6,496.00 | 16,617.51 | 16,411.21 | 6,702.30 | - | 6,702.30 |
| Bio Terrorism Local | 7,381.70 | 4,425.40 | 3,925.02 | 7,882.08 | - | 7,882.08 |
| Bio Terrorism Regionalization | 16,812.60 | 49,031.08 | 58,509.90 | 7,333.78 | - | 7,333.78 |
| Sheriff Relief | 173.48 | - | - | 173.48 | - | 173.48 |
| DEA Sheriff | 458.11 | - | - | 458.11 | - | 458.11 |
| Diversion Fees | 7,677.50 | 1,225.00 | 240.00 | 8,662.50 | - | 8,662.50 |
| Sheriff Emergency Preparedness | - | - | - | - | - | - |
| Siezed (Sheriff) | - | 26,000.00 | - | 26,000.00 | - | 26,000.00 |
| Porta Count Machine | 5.00 | 795.78 | 230.86 | 569.92 | - | 569.92 |
| Chronic Disease Risk | - | 5,720.00 | - | 5,720.00 | - | 5,720.00 |
| Capital Project Fund: | | | | | | |
| None | - | - | - | - | - | - |
| Bond & Interest Fund: | | | | | | |
| Hospital Bond & Interest | 9,177.25 | 11,633.09 | 20,810.34 | - | - | - |

GOVE COUNTY, KANSAS

SUMMARY STATEMENT OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended December 31, 2012

| Funds | Beginning Unencumbered Cash Balance | Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Encumbrances And Accounts Payable | Ending Cash Balance |
|---|---|-----------------|-----------------|--|--|------------------------|
| Proprietary Type Funds | | | | | | |
| Enterprise Fund: | | | | | | |
| Solid Waste | 71,076.62 | 156,820.16 | 164,043.36 | 63,853.42 | 9,061.61 | 72,915.03 |
| Fiduciary Type Funds | | | | | | |
| Expendable Trusts: | | | | | | |
| Oil & Gas Valuation Depletion | - | 470,932.32 | - | 470,932.32 | - | 470,932.32 |
| Treasurer Motor Vehicle | 11,770.18 | 38,760.05 | 28,749.46 | 21,780.77 | - | 21,780.77 |
| Prosecuting Attorney Training | 5,382.54 | 3,653.00 | 3,991.82 | 5,043.72 | - | 5,043.72 |
| Attorney's Trust | 18,927.57 | 70.00 | - | 18,997.57 | - | 18,997.57 |
| Law Enforcement Trust | 48,491.97 | - | 4,451.07 | 44,040.90 | 68.28 | 44,109.18 |
| Concealed Carry | 2,167.50 | 910.00 | - | 3,077.50 | - | 3,077.50 |
| K-9 Fund | 390.00 | 85.00 | - | 475.00 | - | 475.00 |
| Total Reporting Entity (Excluding Agency Funds) | \$ 1,669,391.14 | \$ 6,214,444.30 | \$ 5,733,337.04 | \$ 2,150,498.40 | \$ 35,836.69 | \$ 2,186,335.09 |
| Composition of Cash: | | | | | | |
| Cash Items | | | | | | \$ 1,097.65 |
| Checking Accounts | | | | | | 1,068,187.62 |
| Money Market Accounts | | | | | | 2,350,747.67 |
| Kansas Municipal Investment Pool | | | | | | 3,500,041.88 |
| Certificates of Deposit | | | | | | 650,000.00 |
| Total Cash | | | | | | 7,570,074.82 |
| Agency Funds per Schedule 3 | | | | | | (5,383,739.73) |
| Total Reporting Entity (Excluding Agency Funds) | | | | | | \$ 2,186,335.09 |

The notes to the financial statement are an integral part of this statement.

GOVE COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2012

Note 1: Summary of Significant Accounting Policies

Reporting Entity

Gove County is a municipal corporation governed by an elected three-member commission. This financial statement presents Gove County, the primary government. Component units of the County are not included in the financial statement.

Fund Accounting

For the purpose of this report, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and/or encumbrances, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following type of funds comprise the financial activities of the County for the year of 2012,

Governmental Funds:

- General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.
- Special Revenue Funds – used to account for the proceeds of special tax levies and other specific cash revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.
- Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.
- Capital Projects Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Proprietary Funds:

- Business Funds – funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

GOVE COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2012

Fiduciary Funds:

- Trust and Agency Funds - to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. In 2012 these included Expendable Trust Funds and Agency Funds.

Reimbursed Expenditures

Reimbursed expenditures are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenditures shown in the financial statements meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expenditure was directly tied to the amount of the original cash disbursement.

A fund reimbursement is an expenditure or expense initially made in one fund, but properly attributable to another fund. In accounting for such reimbursements, Gove County records an expenditure in the reimbursing fund, and a reduction of expenditure in the reimbursed fund.

Statutory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivable and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The County has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the County to use the regulatory basis of accounting.

GOVE COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2012

Note 2: Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was one budget amendment in 2012 to the 911 Emergency Fund.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the County for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unused budgeted expenditure authority lapses at year-end.

GOVE COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2012

A legal operating budget is not required for capital project funds, fiduciary funds, permanent funds, and the following special purpose funds:

| | |
|--------------------------|--------------------------------|
| Road Machinery | Special Highway Improvement |
| Register of Deeds Tech | Bio Terrorism Local |
| Bio Terr Regionalization | Sheriff Relief |
| DEA Sheriff | Diversion Fees |
| Siezed (Sheriff) | Sheriff Emergency Preparedness |
| Porta Count Machine | Oil & Gas Valuation Depletion |
| Chronic Disease Risk | |

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payments.

These taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates for 2012 were December 20th and May 10th. For the 2012 calendar year, delinquent taxes were assessed interest at 7% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the County Funds after the first of the year and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed annually.

Note 3: Deposits and Investments

As of December 31, 2012, the County had the following investments and maturities.

| Investment Type | Fair Value | Investment Maturities (in Years) | | Rating |
|----------------------------|-------------|----------------------------------|------|-------------|
| | | Less than 1 | 1-2 | |
| Kansas Municipal Inv. Pool | \$2,500,042 | \$2,500,042 | \$ - | S&P AA+/S1+ |
| Certificate of Deposits | 650,000 | 650,000 | | N/A |
| Total Fair Value | \$3,150,042 | \$3,150,042 | \$ - | |

K.S.A. 9-1401 establishes the depositories which may be used by the County. The statute requires banks eligible to hold the County's funds have a main or

GOVE COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2012

branch bank in the county in which the Government is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The County has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the County's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The County has no investment policy that would further limit its investment choices. The rating of the Government's investments is noted above.

Concentration of credit risk. State statutes place no limit on the amount the County may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

| <u>Investments</u> | <u>Percentage of Investments</u> |
|----------------------------------|--------------------------------------|
| Kansas Municipal Investment Pool | 79% |
| Certificate of Deposits | 21% |

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require the County's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The County has no designated "peak periods". All deposits were legally secured at December 31, 2012.

At December 31, 2012, the County's carrying amount of deposits, including certificates of deposit, was \$4,068,935.29 and the bank balance was \$4,207,527.73. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$1,107,250.46 was covered by federal depository insurance and the remaining \$3,150,078.64 was collateralized with securities held by the pledging financial institutions' agents in the County's name. The remainder of the County's cash balance is held in the State's municipal investment pool and is fully collateralized at all times according to K.S.A. 75-4201.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the

GOVE COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2012

possession of an outside party. State statutes require investments to be adequately secured.

At December 31, 2012, the County had invested \$2,500,042 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

Note 4: Compensated Absences

In accordance with the provisions of Statement of Financial Accounting Standards No. 43, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. Also, no liability has been recorded for vested or accumulated vacation leave because the amount cannot be reasonably estimated.

Note 5: Interfund Transactions

Operating transfers were as follows:

| <u>From</u> | <u>To</u> | <u>Regulatory Authority</u> | <u>Amount</u> |
|-------------------|---------------------|---------------------------------|---------------|
| Treas. Motor Veh. | General (Off. Fees) | K.S.A. 8-145 | \$ 11,770.18 |
| Road & Bridge | Special Machinery | K.S.A. 68-141g | 141,000.00 |
| Road & Bridge | Special Highway | K.S.A. 68-590 | 447,000.00 |
| Noxious Weed | Noxious Weed Cap. | K.S.A. 2-1318 | 16,500.00 |
| Hosp. Bond & Int | General | Close Fund | 20,810.34 |
| Extension Council | General | Close Fund | 7,541.95 |

Note 6: Defined Benefit Pension Plan

Plan description. The County participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary

GOVE COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2012

information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737. The Internet address is: <http://www.kpers.org>.

Funding Policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. K.S.A. 74-4975 establishes KP&F member-employee rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on a actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The employer rate established for calendar year 2012 was 7.34%-8.34%. The County employer contributions to KPERS for the years ending December 31, 2012, 2011, and 2010 were \$108,162.87, \$88,893.34, and \$75,660.85, respectively, equal to the required contributions for each year as set forth by the legislature.

Note 7: Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has been unable to obtain property, liability and workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the County joined together with other counties in the State to participate in KCAMP and KWORCC, which are public entity risk pools currently operating as common risk management and insurance programs for participating members.

The County pays annual premiums to KCAMP and KWORCC for its property, liability and workers compensation insurance coverage. The agreement to participate provides that KCAMP and KWORCC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$200,000 for property coverage, \$150,000 for crime coverage, \$250,000 for liability coverage and \$1,000,000 for workers compensation coverage.

GOVE COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2012

Note 8: Compliance with Finance-Related Legal and Contractual Provisions

Compliance with Kansas Statute

K.S.A. 10-1117 requires the County Clerk to maintain a record of fund encumbrances. K.S.A. 79-2934 requires the County Clerk to maintain an account of each fund showing the unencumbered budget balance. The County Clerk does not keep a formal record of encumbrances.

K.S.A. 79-2935 requires that no indebtedness be created in excess of budgeted limits. The expenditures of the Mental Health and Developmental Services Funds exceeded the amount budgeted for the funds. Budget law per K.S.A. 19-4004 exempts these funds from the budget requirement. Also, the Ag Extension Fund & Bond & Interest Fund both exceeded their budgeted expenditures for 2012. The reason for the overspending was due to closing the funds out to the General Fund.

K.S.A. 10-1113 states that expenditures are made in compliance with the cash basis law which requires that no indebtedness be created for a fund in excess of available monies in that fund. Municipalities are required to keep an unencumbered cash balance of zero or above in each individual fund at all times. Due to a posting error discovered during the audit procedures, an adjustment was necessary on the books, which in turn caused a violation of this statute. The Employee Benefits Fund had a negative unencumbered cash balance at the end of the year.

Note 9: Capital Leases

The County had two lease-purchase agreements in effect during 2012. The first lease-purchase agreement with Farmers and Merchants Bank of Colby is for one 2007 Mack Truck. The lease started on May 25, 2007 with annual lease payments due until February 5, 2012 when the optional buyout of \$1.00 was also due. The lease payments are based on a 4.60% per annum interest rate.

The second lease-purchase agreement with Farmers and Merchants Bank of Colby is for one 1996 Caterpillar 613C Wheel Tractor Scrape. The lease started on July 26, 2010 with annual lease payments due until July 26, 2013 when the optional buyout of \$1.00 is also due. The lease payments are based on a 4.25% per annum interest rate.

GOVE COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2012

Note 10: Long-Term Debt

Changes in long-term liabilities for the County for the year ended December 31, 2012 were as follows:

| Issue | Interest Rate | Date of Issue | Amount of Issue | Date of Final Maturity | Balance Beginning of Year | Additions | Reductions /Payments | Net Change | Balance End of Year | Interest Paid |
|--|---------------|---------------|-----------------|------------------------|---------------------------|-----------|----------------------|-----------------|---------------------|---------------|
| Gen. Obligation Bonds: | | | | | | | | | | |
| None | | | | | | | | | | |
| Revenue Bonds: | | | | | | | | | | |
| None | | | | | | | | | | |
| Capital Leases: | | | | | | | | | | |
| 1-2007 Mack Truck | 4.60% | 5/25/07 | 88,500.00 | 2/5/12 | \$ 15,566.33 | - | \$ 15,566.33 | | - | \$ 656.14 |
| 1-1996 Caterpillar 613C | 4.25% | 7/26/10 | 40,000.00 | 7/26/13 | 27,216.88 | - | 13,323.23 | | 13,893.65 | 1,159.89 |
| Total Cont. Indebtedness | | | | | 42,783.21 | - | 28,889.56 | | 13,893.65 | 1,816.03 |
| Landfill Closure and Post-Closure Care | | | | | 426,017.64 | - | - | 1,145,041.13 | 1,571,058.77 | - |
| Total Long-Term Debt | | | | | \$ 468,800.85 | \$ - | \$ 28,889.56 | \$ 1,145,041.13 | \$ 1,584,952.42 | \$ 1,816.03 |

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

| | 2012 | 2013 | Year 2014 | 2015 | 2016 | 2017-2021 | Total |
|------------------------------|--------------|------|--------------|------|------|-----------|--------------|
| Principal: | | | | | | | |
| General Obligation Bonds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Revenue Bonds | - | - | - | - | - | - | - |
| Capital Leases | 13,893.65 | - | - | - | - | - | 13,893.65 |
| Total Principal | 13,893.65 | - | - | - | - | - | 13,893.65 |
| Interest: | | | | | | | |
| General Obligation Bonds | - | - | - | - | - | - | - |
| Revenue Bonds | - | - | - | - | - | - | - |
| Capital Leases | 590.48 | - | - | - | - | - | 590.48 |
| Total Interest | 590.48 | - | - | - | - | - | 590.48 |
| Total Principal and Interest | \$ 14,484.13 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 14,484.13 |

GOVE COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2012

Note 11: Landfill Closure and Post-Closure Costs

State and federal laws and regulations require the County to place a final cover on its Gove County landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste. Closure costs have been estimated to be \$288,195.89 and post-closure care costs have been estimated to be \$1,282,862.88. The remaining life of the landfill is estimated to be 44 years. As described in Note 1, the basis of accounting used by the county does not report costs that have not occurred. The County presents the financial statements on a basis of accounting, which demonstrates compliance with the cash basis and budget laws of Kansas. Therefore, these closure and post-closure care costs are not reflected in the financial statements.

If the County had prepared its financial statements in compliance with Generally Accepted Accounting Principles, a liability in the amount of \$908,071.97 would have been recognized based on capacity of 57.80% used to date.

The County expects the landfill to close in the year 2056. The County is not required to set aside funds or to restrict assets to pay the future costs of closure and post-closure care and have not done so as of the balance sheet date. The costs of closure and post-closure care will be met by the allocation of tax revenues or the issue of bonds, or both, at the time such costs become due.

GOVE COUNTY, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis
For the Year Ended December 31, 2012

| <u>Funds</u> | <u>Total Budget</u> | <u>Expenditures Chargeable to Current Year</u> | <u>Variance Over (Under)</u> |
|---------------------------------|-------------------------|--|--------------------------------------|
| Governmental Type Funds: | | | |
| General Fund | \$ 2,081,650.00 | \$ 1,641,272.00 | \$ (440,378.00) |
| Special Purpose Funds: | | | |
| Road & Bridge | 1,817,000.00 | 1,788,996.57 | (28,003.43) |
| Noxious Weed | 224,577.00 | 168,644.00 | (55,933.00) |
| Mental Health | 27,000.00 | 25,580.37 | (1,419.63) * |
| Hospital Maintenance | 612,000.00 | 612,000.00 | - |
| Developmental Services | 54,000.00 | 51,339.69 | (2,660.31) * |
| Employee Benefits | 790,000.00 | 767,400.32 | (22,599.68) |
| Ag Extension Council | 5,443.00 | 7,541.95 | 2,098.95 |
| Noxious Weed Capital Outlay | 55,203.00 | - | (55,203.00) |
| Special Alcohol & Drug Programs | 15,211.00 | 200.00 | (15,011.00) |
| 911 Emergency Service | 78,728.00 | 3,911.50 | (74,816.50) |
| 911 Wireless | 18,322.00 | - | (18,322.00) |
| Debt Service Fund: | | | |
| Bond & Interest | 11,211.00 | 20,810.34 | 9,599.34 |
| Proprietary Type Funds: | | | |
| Solid Waste Disposal | 303,824.00 | 164,043.36 | (139,780.64) |

*Exempt from Budget Law per K.S.A. 19-4004.

GOVE COUNTY, KANSAS

GENERAL FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended December 31, 2012

| | Actual | Budget | Variance- Over (Under) |
|---------------------------------------|-----------------------|-----------------------|------------------------------|
| <u>Cash Receipts</u> | | | |
| Taxes & Shared Revenues | | | |
| Ad Valorem Tax | \$ 675,848.14 | \$ 743,105.00 | \$ (67,256.86) |
| Delinquent Tax | 5,049.50 | 3,500.00 | 1,549.50 |
| Motor Vehicle Tax | 60,354.87 | 46,368.00 | 13,986.87 |
| Rec. Vehicle Tax | 1,692.36 | 1,531.00 | 161.36 |
| 16/20 Vehicle Tax | 3,360.21 | 817.00 | 2,543.21 |
| Mineral Production Tax | 81,443.54 | 25,000.00 | 56,443.54 |
| Local Sales & Use Tax | 349,101.27 | 310,000.00 | 39,101.27 |
| Local Intangibles Tax | 12,925.65 | 12,671.00 | 254.65 |
| Interest & Charges on Delinquent Tax | 6,668.38 | 6,500.00 | 168.38 |
| In Lieu of Taxes | 99.28 | - | 99.28 |
| Total Taxes & Shared Revenues | <u>1,196,543.20</u> | <u>1,149,492.00</u> | <u>47,051.20</u> |
| Licenses, Permits, & Fees | | | |
| Mortgage Registration Fees | 30,295.64 | 40,000.00 | (9,704.36) |
| Officers' Fees | 99,512.62 | 60,000.00 | 39,512.62 |
| County Health - Fees & Grants | 67,849.97 | 68,000.00 | (150.03) |
| County Health - State of Kansas | 3,183.39 | 13,076.00 | (9,892.61) |
| County Health - Healthy Start | 1,506.00 | 3,115.00 | (1,609.00) |
| Total Licenses, Permits & Fees | <u>202,347.62</u> | <u>184,191.00</u> | <u>18,156.62</u> |
| Use of Money & Property | | | |
| Interest on Idle Funds | 10,367.50 | 11,000.00 | (632.50) |
| Rent | - | - | - |
| Total Use of Money & Property | <u>10,367.50</u> | <u>11,000.00</u> | <u>(632.50)</u> |
| Miscellaneous | | | |
| Sale of Surplus Property | - | 3,500.00 | (3,500.00) |
| District Coroner - State of Kansas | 297.68 | - | 297.68 |
| Miscellaneous Income | 38,605.17 | - | 38,605.17 |
| Total Miscellaneous | <u>38,902.85</u> | <u>3,500.00</u> | <u>35,402.85</u> |
| Transfer from Treasurer Motor Vehicle | <u>11,770.18</u> | <u>18,000.00</u> | <u>(6,229.82)</u> |
| Funds closed out to General | | | |
| Hospital Bond & Interest | 20,810.34 | 11,211.00 | 9,599.34 |
| Extension Council | 7,541.95 | - | 7,541.95 |
| Total closed funds | <u>28,352.29</u> | <u>11,211.00</u> | <u>17,141.29</u> |
| Total Cash Receipts | <u>\$1,488,283.64</u> | <u>\$1,377,394.00</u> | <u>\$ 110,889.64</u> |

GOVE COUNTY, KANSAS

GENERAL FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
For the Year Ended December 31, 2012

| | Actual | Budget | Variance- Over (Under) |
|----------------------------|-------------------|-------------------|------------------------------|
| <u>Expenditures</u> | | | |
| County Commission | | | |
| Personal Services | \$ 41,712.06 | \$ 40,560.00 | \$ 1,152.06 |
| Contractual Services | 7,716.94 | 19,000.00 | (11,283.06) |
| Commodities | - | - | - |
| Total County Commission | <u>49,429.00</u> | <u>59,560.00</u> | <u>(10,131.00)</u> |
| County Clerk | | | |
| Personal Services | 64,491.19 | 62,000.00 | 2,491.19 |
| Contractual Services | 2,080.57 | 5,000.00 | (2,919.43) |
| Commodities | 325.99 | 800.00 | (474.01) |
| Capital Outlay | 399.98 | 4,500.00 | (4,100.02) |
| Total County Clerk | <u>67,297.73</u> | <u>72,300.00</u> | <u>(5,002.27)</u> |
| County Treasurer | | | |
| Personal Services | 89,912.89 | 76,021.00 | 13,891.89 |
| Contractual Services | 12,498.69 | 5,900.00 | 6,598.69 |
| Commodities | 1,287.98 | 2,000.00 | (712.02) |
| Capital Outlay | 105.00 | 1,250.00 | (1,145.00) |
| Total County Treasurer | <u>103,804.56</u> | <u>85,171.00</u> | <u>18,633.56</u> |
| Register of Deeds | | | |
| Personal Services | 63,160.76 | 48,000.00 | 15,160.76 |
| Contractual Services | 12,608.50 | 15,000.00 | (2,391.50) |
| Commodities | 457.85 | 1,000.00 | (542.15) |
| Capital Outlay | 381.78 | 500.00 | (118.22) |
| Total Register of Deeds | <u>76,608.89</u> | <u>64,500.00</u> | <u>12,108.89</u> |
| County Attorney | | | |
| Personal Services | 55,755.18 | 50,000.00 | 5,755.18 |
| Contractual Services | 1,608.49 | 7,800.00 | (6,191.51) |
| Commodities | 228.97 | 1,350.00 | (1,121.03) |
| Capital Outlay | 74.90 | 1,850.00 | (1,775.10) |
| Total County Attorney | <u>57,667.54</u> | <u>61,000.00</u> | <u>(3,332.46)</u> |
| Sheriff | | | |
| Personal Services | 202,025.76 | 201,360.00 | 665.76 |
| Contractual Services | 89,461.88 | 80,749.00 | 8,712.88 |
| Commodities | 55,235.07 | 41,103.00 | 14,132.07 |
| Capital Outlay | 39,753.86 | 33,500.00 | 6,253.86 |
| Towing | 6,466.98 | 13,500.00 | (7,033.02) |
| Total Sheriff | <u>392,943.55</u> | <u>370,212.00</u> | <u>22,731.55</u> |

GOVE COUNTY, KANSAS

GENERAL FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended December 31, 2012

| | Actual | Budget | Variance- Over (Under) |
|----------------------------------|-------------------|-------------------|------------------------------|
| Unified Court | | | |
| Contractual Services | 16,318.57 | 32,500.00 | (16,181.43) |
| Commodities | 6,302.62 | - | 6,302.62 |
| Capital Outlay | 1,648.55 | - | 1,648.55 |
| Witness Fees & Mileage | 348.04 | - | 348.04 |
| Total Unified Court | <u>24,617.78</u> | <u>32,500.00</u> | <u>(7,882.22)</u> |
| Courthouse-General Expense | | | |
| Personal Services | 41,887.67 | 37,500.00 | 4,387.67 |
| Contractual Services | 183,378.81 | 160,000.00 | 23,378.81 |
| Commodities | 15,224.46 | 45,000.00 | (29,775.54) |
| Capital Outlay | 33,676.45 | 509,443.00 | (475,766.55) |
| Economic Development | 400.00 | 1,000.00 | (600.00) |
| Total Courthouse-General Expense | <u>274,567.39</u> | <u>752,943.00</u> | <u>(478,375.61)</u> |
| Landfill | | | |
| Personal Services | 81,859.25 | 63,500.00 | 18,359.25 |
| Contractual Services | 38,546.23 | 30,000.00 | 8,546.23 |
| Commodities | 28,976.98 | 36,000.00 | (7,023.02) |
| Capital Outlay | 349.99 | 1,500.00 | (1,150.01) |
| Total Landfill | <u>149,732.45</u> | <u>131,000.00</u> | <u>18,732.45</u> |
| County Health | | | |
| Personal Services | 68,504.85 | 57,745.00 | 10,759.85 |
| Contractual Services | 32,000.76 | 20,000.00 | 12,000.76 |
| Commodities | 49,018.68 | 41,500.00 | 7,518.68 |
| Capital Outlay | 2,255.19 | 1,500.00 | 755.19 |
| Grants | - | 4,361.00 | (4,361.00) |
| Healthy Start | 225.00 | 4,576.00 | (4,351.00) |
| Car Seats | - | 300.00 | (300.00) |
| Total County Health | <u>152,004.48</u> | <u>129,982.00</u> | <u>22,022.48</u> |
| Ambulance | | | |
| Contractual Services | 24,000.00 | 24,000.00 | - |
| Total Ambulance | <u>24,000.00</u> | <u>24,000.00</u> | <u>-</u> |
| 4-H Building | | | |
| Contractual Services | 9,741.05 | 7,000.00 | 2,741.05 |
| Total 4-H Building | <u>9,741.05</u> | <u>7,000.00</u> | <u>2,741.05</u> |
| NWKS Planning & Dev. | | | |
| Contractual Services | 6,077.00 | 6,080.00 | (3.00) |
| Total NWKS Planning & Dev. | <u>6,077.00</u> | <u>6,080.00</u> | <u>(3.00)</u> |

GOVE COUNTY, KANSAS

GENERAL FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended December 31, 2012

| | <u>Actual</u> | <u>Budget</u> | <u>Variance- Over (Under)</u> |
|------------------------------|-------------------|-------------------|---------------------------------------|
| Employee's Benefit | | | |
| Clearing | - | - | - |
| Total Employee's Benefit | <u>-</u> | <u>-</u> | <u>-</u> |
| Appraiser | | | |
| Salaries | 60,886.10 | 52,640.00 | 8,246.10 |
| Contractual Services | 78,448.05 | 79,940.00 | (1,491.95) |
| Commodities | 572.43 | 1,500.00 | (927.57) |
| Capital Outlay | 3,768.21 | 12,500.00 | (8,731.79) |
| Total Appraiser Care | <u>143,674.79</u> | <u>146,580.00</u> | <u>(2,905.21)</u> |
| Prisoner Care | | | |
| Contractual Services | 19,877.31 | 40,000.00 | (20,122.69) |
| Total Prisoner Care | <u>19,877.31</u> | <u>40,000.00</u> | <u>(20,122.69)</u> |
| Emergency Preparedness | | | |
| Contractual Services | 34,001.11 | 31,500.00 | 2,501.11 |
| Mitigation Plan Grant | - | - | - |
| Total Emergency Preparedness | <u>34,001.11</u> | <u>31,500.00</u> | <u>2,501.11</u> |
| Juvenile Detention | | | |
| Contractual Services | 290.00 | 9,000.00 | (8,710.00) |
| Total Juvenile Detention | <u>290.00</u> | <u>9,000.00</u> | <u>(8,710.00)</u> |
| Area Agency Aging | | | |
| Contractual Services | 2,500.00 | 2,000.00 | 500.00 |
| Total Area Agency Aging | <u>2,500.00</u> | <u>2,000.00</u> | <u>500.00</u> |
| Election | | | |
| Salaries | - | - | - |
| Contractual Services | 19,720.82 | 20,000.00 | (279.18) |
| Commodities | 1,612.89 | 2,500.00 | (887.11) |
| Capital Outlay | 171.34 | 1,500.00 | (1,328.66) |
| Total Election | <u>21,505.05</u> | <u>24,000.00</u> | <u>(2,494.95)</u> |
| Soil Conservation | | | |
| Contractual Services | 20,000.00 | 20,000.00 | - |
| Total Soil Conservation | <u>20,000.00</u> | <u>20,000.00</u> | <u>-</u> |
| Senior Companion | | | |
| Contractual Services | 4,500.00 | 4,000.00 | 500.00 |
| Total Senior Companion | <u>4,500.00</u> | <u>4,000.00</u> | <u>500.00</u> |
| NWKS Family Shelter | | | |
| Contractual Services | 500.00 | 500.00 | - |
| Total NWKS Family Shelter | <u>500.00</u> | <u>500.00</u> | <u>-</u> |

GOVE COUNTY, KANSAS

GENERAL FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
For the Year Ended December 31, 2012

| | <u>Actual</u> | <u>Budget</u> | <u>Variance- Over (Under)</u> |
|-------------------------------------|------------------------|------------------------|---------------------------------------|
| Healthy Start | | | |
| Salaries | 3,065.72 | 2,500.00 | 565.72 |
| Contractual Services | 872.60 | 1,600.00 | (727.40) |
| Commodities | - | 150.00 | (150.00) |
| Capital Outlay | - | - | - |
| Total Healthy Start | <u>3,938.32</u> | <u>4,250.00</u> | <u>(311.68)</u> |
| Foster Grandparents | | | |
| Contractual Services | - | 500.00 | (500.00) |
| Total Foster Grandparents | <u>-</u> | <u>500.00</u> | <u>(500.00)</u> |
| NWKS Environmental Protection | | | |
| Contractual Services | 1,994.00 | 1,072.00 | 922.00 |
| Total NWKS Environmental Protection | <u>1,994.00</u> | <u>1,072.00</u> | <u>922.00</u> |
| NWKS Juvenile System | | | |
| Contractual Services | - | 1,000.00 | (1,000.00) |
| Total NWKS Juvenile System | <u>-</u> | <u>1,000.00</u> | <u>(1,000.00)</u> |
| Western KS Child Advocacy | | | |
| Contractual Services | - | 1,000.00 | (1,000.00) |
| Total Western KS Child Advocacy | <u>-</u> | <u>1,000.00</u> | <u>(1,000.00)</u> |
| Transfers to Funds | | | |
| None | - | - | - |
| Total Transfers | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Expenditures | <u>\$ 1,641,272.00</u> | <u>\$ 2,081,650.00</u> | <u>\$ (440,378.00)</u> |
| Receipts Over (Under) Expenditures | (152,988.36) | | |
| Unencumbered Cash, January 1 | <u>749,113.21</u> | | |
| Unencumbered Cash, December 31 | <u>\$ 596,124.85</u> | | |

GOVE COUNTY, KANSAS

ROAD AND BRIDGE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | Actual | Budget | Variance- Over (Under) |
|------------------------------------|---------------------|------------------------|------------------------------|
| Cash Receipts | | | |
| Ad Valorem Tax | \$ 1,350,631.12 | \$ 1,463,783.00 | \$ (113,151.88) |
| Delinquent Tax | 7,939.93 | 7,500.00 | 439.93 |
| Motor Vehicle Tax | 90,600.69 | 59,485.00 | 31,115.69 |
| Rec. Vehicle Tax | 2,459.16 | 1,964.00 | 495.16 |
| 16/20 M Vehicle Tax | 8,011.87 | 1,048.00 | 6,963.87 |
| In Lieu of Taxes | 195.59 | - | 195.59 |
| Special City & Co. Hwy. Fund | 230,059.92 | 231,188.00 | (1,128.08) |
| County Equal. & Adj. Fund | 3,509.30 | - | 3,509.30 |
| Miscellaneous Revenue | 61,428.46 | - | 61,428.46 |
| Sheriff's Sale | - | - | - |
| Sale of Surplus Property | 33,500.00 | 25,000.00 | 8,500.00 |
| Total Receipts | <u>1,788,336.04</u> | <u>1,789,968.00</u> | <u>(1,631.96)</u> |
| Expenditures | | | |
| Personal Services | 511,069.59 | 500,000.00 | 11,069.59 |
| Contractual Services | 177,559.67 | 175,000.00 | 2,559.67 |
| Commodities | 476,718.14 | 557,000.00 | (80,281.86) |
| Capital Outlay | 35,649.17 | 335,000.00 | (299,350.83) |
| Transfer to Sp. Hwy. Imp. Fund | 447,000.00 | - | 447,000.00 |
| Transfer to Sp. Mach. Fund | 141,000.00 | 250,000.00 | (109,000.00) |
| Total Expenditures | <u>1,788,996.57</u> | <u>\$ 1,817,000.00</u> | <u>\$ (28,003.43)</u> |
| Receipts Over (Under) Expenditures | (660.53) | | |
| Unencumbered Cash, January 1 | <u>895.98</u> | | |
| Unencumbered Cash, December 31 | <u>\$ 235.45</u> | | |

GOVE COUNTY, KANSAS

NOXIOUS WEED FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | Actual | Budget | Variance- Over (Under) |
|--------------------------------------|-------------------|----------------------|------------------------------|
| Cash Receipts | | | |
| Ad Valorem Tax | \$ 86,476.72 | \$ 94,036.00 | \$ (7,559.28) |
| Delinquent Tax | 594.61 | 625.00 | (30.39) |
| Motor Vehicle Tax | 6,552.15 | 4,312.00 | 2,240.15 |
| Rec. Vehicle Tax | 177.94 | 142.00 | 35.94 |
| 16/20 M Vehicle Tax | 576.29 | 76.00 | 500.29 |
| In Lieu of Taxes | 12.57 | - | 12.57 |
| Reimbursed Exp.-Sale of Chemicals | 74,032.17 | 125,000.00 | (50,967.83) |
| State of Kansas | - | - | - |
| Miscellaneous Revenue | - | - | - |
| Sheriff's Sale | - | - | - |
| Transfer from Special Noxious Weed | - | - | - |
| Total Receipts | <u>168,422.45</u> | <u>224,191.00</u> | <u>(55,768.55)</u> |
| Expenditures | | | |
| Personal Services | 58,279.22 | 54,000.00 | 4,279.22 |
| Contractual Services | 10,715.46 | 25,000.00 | (14,284.54) |
| Commodities | 83,087.70 | 138,577.00 | (55,489.30) |
| Capital Outlay | 61.62 | 2,000.00 | (1,938.38) |
| Miscellaneous | - | - | - |
| Transfer to Noxious Weed Cap. Outlay | 16,500.00 | 5,000.00 | 11,500.00 |
| Total Expenditures | <u>168,644.00</u> | <u>\$ 224,577.00</u> | <u>\$ (55,933.00)</u> |
| Receipts Over (Under) Expenditures | (221.55) | | |
| Unencumbered Cash, January 1 | <u>504.98</u> | | |
| Unencumbered Cash, December 31 | <u>\$ 283.43</u> | | |

GOVE COUNTY, KANSAS

MENTAL HEALTH FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | Actual | Budget | Variance- Over (Under) |
|------------------------------------|------------------|---------------------|------------------------------|
| Cash Receipts | | | |
| Ad Valorem Tax | \$ 23,385.74 | \$ 25,442.00 | \$ (2,056.26) |
| Delinquent Tax | 159.02 | 300.00 | (140.98) |
| Motor Vehicle Tax | 1,821.75 | 1,197.00 | 624.75 |
| Rec. Vehicle Tax | 49.48 | 40.00 | 9.48 |
| 16/20 M Vehicle Tax | 160.98 | 21.00 | 139.98 |
| In Lieu of Taxes | 3.40 | - | 3.40 |
| Total Receipts | <u>25,580.37</u> | <u>27,000.00</u> | <u>(1,419.63)</u> |
| Expenditures | | | |
| Contractual Services | <u>25,580.37</u> | <u>27,000.00</u> | <u>(1,419.63)</u> |
| Total Expenditures | <u>25,580.37</u> | <u>\$ 27,000.00</u> | <u>\$ (1,419.63)</u> |
| Receipts Over (Under) Expenditures | - | | |
| Unencumbered Cash, January 1 | <u>-</u> | | |
| Unencumbered Cash, December 31 | <u>\$ -</u> | | |

Note: Exempt from Budget Law per K.S.A. 19-4004.

GOVE COUNTY, KANSAS

HOSPITAL MAINTENANCE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | Actual | Budget | Variance- Over (Under) |
|------------------------------------|---------------------|----------------------|------------------------------|
| Cash Receipts | | | |
| Ad Valorem Tax | \$ 185,240.78 | \$ 201,302.00 | \$ (16,061.22) |
| Delinquent Tax | 1,157.60 | 1,200.00 | (42.40) |
| Motor Vehicle Tax | 13,292.19 | 9,041.00 | 4,251.19 |
| Rec. Vehicle Tax | 363.29 | 298.00 | 65.29 |
| 16/20 M Vehicle Tax | 1,083.18 | 159.00 | 924.18 |
| In Lieu of Taxes | 26.90 | - | 26.90 |
| Local Sales & Use Tax | 422,979.48 | 400,000.00 | 22,979.48 |
| Total Receipts | <u>624,143.42</u> | <u>612,000.00</u> | <u>12,143.42</u> |
| Expenditures | | | |
| Contractual Services | <u>612,000.00</u> | <u>612,000.00</u> | <u>-</u> |
| Total Expenditures | <u>612,000.00</u> | <u>\$ 612,000.00</u> | <u>\$ -</u> |
| Receipts Over (Under) Expenditures | 12,143.42 | | |
| Unencumbered Cash, January 1 | <u>19,216.10</u> | | |
| Unencumbered Cash, December 31 | <u>\$ 31,359.52</u> | | |

GOVE COUNTY, KANSAS

DEVELOPMENTAL SERVICES FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | Actual | Budget | Variance- Over (Under) |
|------------------------------------|------------------|---------------------|------------------------------|
| Cash Receipts | | | |
| Ad Valorem Tax | \$ 46,933.61 | \$ 51,062.00 | \$ (4,128.39) |
| Delinquent Tax | 312.50 | 410.00 | (97.50) |
| Motor Vehicle Tax | 3,663.87 | 2,407.00 | 1,256.87 |
| Rec. Vehicle Tax | 99.48 | 79.00 | 20.48 |
| 16/20 M Vehicle Tax | 323.40 | 42.00 | 281.40 |
| In Lieu of Taxes | 6.83 | - | 6.83 |
| Total Receipts | <u>51,339.69</u> | <u>54,000.00</u> | <u>(2,660.31)</u> |
| Expenditures | | | |
| Contractual Services | <u>51,339.69</u> | <u>54,000.00</u> | <u>(2,660.31)</u> |
| Total Expenditures | <u>51,339.69</u> | <u>\$ 54,000.00</u> | <u>\$ (2,660.31)</u> |
| Receipts Over (Under) Expenditures | - | | |
| Unencumbered Cash, January 1 | <u>-</u> | | |
| Unencumbered Cash, December 31 | <u>\$ -</u> | | |

Note: Exempt from Budget Law per K.S.A. 19-4004.

GOVE COUNTY, KANSAS

EMPLOYEE BENEFITS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | Actual | Budget | Variance- Over (Under) |
|------------------------------------|----------------------|----------------------|------------------------------|
| Cash Receipts | | | |
| Ad Valorem Tax | \$ 609,643.69 | \$ 661,518.00 | \$ (51,874.31) |
| Delinquent Tax | 3,596.82 | 3,000.00 | 596.82 |
| Motor Vehicle Tax | 40,548.70 | 28,064.00 | 12,484.70 |
| Rec. Vehicle Tax | 1,112.20 | 927.00 | 185.20 |
| 16/20 M Vehicle Tax | 3,163.01 | 494.00 | 2,669.01 |
| In Lieu of Taxes | 88.39 | - | 88.39 |
| Misc. Revenue | - | - | - |
| Payments from Plan 502 | 10,852.57 | - | 10,852.57 |
| Total Receipts | <u>669,005.38</u> | <u>694,003.00</u> | <u>(24,997.62)</u> |
| Expenditures | | | |
| Contractual Services | 48,901.82 | 55,000.00 | (6,098.18) |
| Employer Contribution | 206,214.15 | 180,000.00 | 26,214.15 |
| Health Insurance | 396,951.00 | 400,000.00 | (3,049.00) |
| Payments to Plan 502 | 115,333.35 | 155,000.00 | (39,666.65) |
| Total Expenditures | <u>767,400.32</u> | <u>\$ 790,000.00</u> | <u>\$ (22,599.68)</u> |
| Receipts Over (Under) Expenditures | (98,394.94) | | |
| Unencumbered Cash, January 1 | <u>95,909.09</u> | | |
| Unencumbered Cash, December 31 | <u>\$ (2,485.85)</u> | | |

GOVE COUNTY, KANSAS**AG EXTENSION COUNCIL FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> | <u>Budget</u> | <u>Variance- Over (Under)</u> |
|------------------------------------|-----------------|--------------------|---------------------------------------|
| Cash Receipts | | | |
| Ad Valorem Tax | \$ (2,078.69) | \$ - | \$ (2,078.69) |
| Delinquent Tax | 297.07 | 325.00 | (27.93) |
| Motor Vehicle Tax | 5,196.43 | 3,433.00 | 1,763.43 |
| Rec. Vehicle Tax | 141.23 | 113.00 | 28.23 |
| 16/20 M Vehicle Tax | 453.52 | 60.00 | 393.52 |
| In Lieu of Taxes | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Receipts | <u>4,009.56</u> | <u>3,931.00</u> | <u>78.56</u> |
| Expenditures | | | |
| Transfer to General | <u>7,541.95</u> | <u>5,443.00</u> | <u>2,098.95</u> |
| Total Expenditures | <u>7,541.95</u> | <u>\$ 5,443.00</u> | <u>\$ 2,098.95</u> |
| Receipts Over (Under) Expenditures | (3,532.39) | | |
| Unencumbered Cash, January 1 | <u>3,532.39</u> | | |
| Unencumbered Cash, December 31 | <u>\$ 0.00</u> | | |

GOVE COUNTY, KANSAS

NOXIOUS WEED CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | <u>Actual</u> | <u>Budget</u> | <u>Variance- Over (Under)</u> |
|------------------------------------|---------------------|---------------------|---------------------------------------|
| Cash Receipts | | | |
| Transfer from Noxious Weed Fund | <u>\$ 16,500.00</u> | <u>\$ 5,000.00</u> | <u>\$ 11,500.00</u> |
| Total Receipts | <u>16,500.00</u> | <u>5,000.00</u> | <u>11,500.00</u> |
| Expenditures | | | |
| Capital Outlay | <u>-</u> | <u>55,203.00</u> | <u>(55,203.00)</u> |
| Total Expenditures | <u>-</u> | <u>\$ 55,203.00</u> | <u>\$ (55,203.00)</u> |
| Receipts Over (Under) Expenditures | 16,500.00 | | |
| Unencumbered Cash, January 1 | <u>49,203.38</u> | | |
| Unencumbered Cash, December 31 | <u>\$ 65,703.38</u> | | |

GOVE COUNTY, KANSAS

SPECIAL ALCOHOL & DRUG PROGRAMS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

| | <u>Actual</u> | <u>Budget</u> | <u>Variance- Over (Under)</u> |
|------------------------------------|---------------------|---------------------|---------------------------------------|
| Cash Receipts | | | |
| Liquor Tax-State of Kansas | <u>\$ 1,111.04</u> | <u>\$ 2,300.00</u> | <u>\$ (1,188.96)</u> |
| Total Receipts | <u>1,111.04</u> | <u>2,300.00</u> | <u>(1,188.96)</u> |
| Expenditures | | | |
| Contractual Services | <u>200.00</u> | <u>15,211.00</u> | <u>(15,011.00)</u> |
| Total Expenditures | <u>200.00</u> | <u>\$ 15,211.00</u> | <u>\$ (15,011.00)</u> |
| Receipts Over (Under) Expenditures | 911.04 | | |
| Unencumbered Cash, January 1 | <u>12,284.74</u> | | |
| Unencumbered Cash, December 31 | <u>\$ 13,195.78</u> | | |

GOVE COUNTY, KANSAS**911 EMERGENCY SERVICE FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> | <u>Budget</u> | <u>Variance- Over (Under)</u> |
|------------------------------------|---------------------|---------------------|---------------------------------------|
| Cash Receipts | | | |
| 911 Receipts | <u>\$ 3,020.08</u> | <u>\$ 20,000.00</u> | <u>\$ (16,979.92)</u> |
| Total Receipts | <u>3,020.08</u> | <u>20,000.00</u> | <u>(16,979.92)</u> |
| Expenditures | | | |
| Contractual Services | 2,132.00 | 76,228.00 | (74,096.00) |
| Commodities | 1,779.50 | 2,500.00 | (720.50) |
| Capital Outlay | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Expenditures | <u>3,911.50</u> | <u>\$ 78,728.00</u> | <u>\$ (74,816.50)</u> |
| Receipts Over (Under) Expenditures | (891.42) | | |
| Unencumbered Cash, January 1 | <u>56,688.01</u> | | |
| Unencumbered Cash, December 31 | <u>\$ 55,796.59</u> | | |

GOVE COUNTY, KANSAS

911 WIRELESS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | <u>Actual</u> | <u>Budget</u> | Variance- Over (Under) |
|------------------------------------|--------------------|---------------------|------------------------------|
| Cash Receipts | | | |
| E-911 Receipts | \$ - | \$ 7,500.00 | \$ (7,500.00) |
| Interest on Idle Funds | 14.24 | - | 14.24 |
| | <u>14.24</u> | <u>-</u> | <u>14.24</u> |
| Total Receipts | <u>14.24</u> | <u>7,500.00</u> | <u>(7,485.76)</u> |
| Expenditures | | | |
| Contractual | - | 18,322.00 | (18,322.00) |
| | <u>-</u> | <u>18,322.00</u> | <u>(18,322.00)</u> |
| Total Expenditures | <u>-</u> | <u>\$ 18,322.00</u> | <u>\$ (18,322.00)</u> |
| Receipts Over (Under) Expenditures | 14.24 | | |
| Unencumbered Cash, January 1 | <u>7,685.27</u> | | |
| Unencumbered Cash, December 31 | <u>\$ 7,699.51</u> | | |

GOVE COUNTY, KANSAS

HOSPITAL BOND & INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | Actual | Budget | Variance- Over (Under) |
|------------------------------------|------------------|---------------------|------------------------------|
| Cash Receipts | | | |
| Ad Valorem Tax | \$ (3,604.27) | \$ - | \$ (3,604.27) |
| Delinquent Tax | 891.63 | - | 891.63 |
| Motor Vehicle Tax | 13,972.85 | 8,378.00 | 5,594.85 |
| Rec. Vehicle Tax | 372.88 | 277.00 | 95.88 |
| 16/20 M Vehicle Tax | - | 148.00 | (148.00) |
| In Lieu of Taxes | - | - | - |
| Total Receipts | <u>11,633.09</u> | <u>8,803.00</u> | <u>2,830.09</u> |
| Expenditures | | | |
| Principal | - | - | - |
| Interest Coupons | - | - | - |
| Commission | - | - | - |
| Closed to General Fund | <u>20,810.34</u> | <u>11,211.00</u> | <u>9,599.34</u> |
| Total Expenditures | <u>20,810.34</u> | <u>\$ 11,211.00</u> | <u>\$ 9,599.34</u> |
| Receipts Over (Under) Expenditures | (9,177.25) | | |
| Unencumbered Cash, January 1 | <u>9,177.25</u> | | |
| Unencumbered Cash, December 31 | <u>\$ -</u> | | |

GOVE COUNTY, KANSAS

SOLID WASTE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | <u>Actual</u> | <u>Budget</u> | <u>Variance- Over (Under)</u> |
|------------------------------------|---------------------|----------------------|---------------------------------------|
| Cash Receipts | | | |
| Charges for Solid Waste Pickup | \$ 139,153.81 | \$ 185,000.00 | \$ (45,846.19) |
| Landfill Charges | 13,952.49 | 15,000.00 | (1,047.51) |
| Special Assessments | 3,162.82 | 3,500.00 | (337.18) |
| Delinquent Specials | 551.04 | 2,000.00 | (1,448.96) |
| Sheriff's Sale | - | - | - |
| Miscellaneous Income | - | - | - |
| | <u>156,820.16</u> | <u>205,500.00</u> | <u>(48,679.84)</u> |
| Total Receipts | | | |
| Expenditures | | | |
| Solid Waste Pickup Contract | 120,520.41 | 135,000.00 | (14,479.59) |
| Contractual Services | 28,609.72 | 140,824.00 | (112,214.28) |
| Commodities | - | 3,000.00 | (3,000.00) |
| Capital Outlay | 14,483.12 | 25,000.00 | (10,516.88) |
| Refunds | 430.11 | - | 430.11 |
| | <u>164,043.36</u> | <u>\$ 303,824.00</u> | <u>\$ (139,780.64)</u> |
| Total Expenditures | | | |
| Receipts Over (Under) Expenditures | (7,223.20) | | |
| Unencumbered Cash, January 1 | <u>71,076.62</u> | | |
| Unencumbered Cash, December 31 | <u>\$ 63,853.42</u> | | |

GOVE COUNTY, KANSAS**SPECIAL MACHINERY FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> |
|------------------------------------|-----------------------------|
| Cash Receipts | |
| Transfer from Road & Bridge | <u>\$ 141,000.00</u> |
| Total Receipts | <u>141,000.00</u> |
| Expenditures | |
| Capital Outlay | <u>309,894.00</u> |
| Total Expenditures | <u>309,894.00</u> |
| Receipts Over (Under) Expenditures | (168,894.00) |
| Unencumbered Cash, January 1 | <u>313,043.75</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 144,149.75</u></u> |

GOVE COUNTY, KANSAS**SPECIAL HIGHWAY IMPROVEMENT FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> |
|------------------------------------|-----------------------------|
| Cash Receipts | |
| Transfer from Road & Bridge | <u>\$ 447,000.00</u> |
| Total Receipts | <u>447,000.00</u> |
| Expenditures | |
| Contractual Services | - |
| Commodities | <u>55,193.60</u> |
| Total Expenditures | <u>55,193.60</u> |
| Receipts Over (Under) Expenditures | 391,806.40 |
| Unencumbered Cash, January 1 | <u>154,926.22</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 546,732.62</u></u> |

GOVE COUNTY, KANSAS

REGISTER OF DEEDS TECH FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | <u>Actual</u> |
|------------------------------------|---------------------------|
| Cash Receipts | |
| Receipts | \$ 16,600.50 |
| Interest | 17.01 |
| | <u>16,617.51</u> |
| Total Receipts | <u>16,617.51</u> |
| Expenditures | |
| Contractual Services | - |
| Commodities | - |
| Miscellaneous Expense | 16,411.21 |
| | <u>16,411.21</u> |
| Total Expenditures | <u>16,411.21</u> |
| Receipts Over (Under) Expenditures | 206.30 |
| Unencumbered Cash, January 1 | <u>6,496.00</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 6,702.30</u></u> |

GOVE COUNTY, KANSAS

BIO TERRORISM LOCAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | <u>Actual</u> |
|------------------------------------|--------------------|
| Cash Receipts | |
| Federal Aid | \$ 3,907.24 |
| KALHD | - |
| Local Support | 518.16 |
| Miscellaneous | - |
| | <u>4,425.40</u> |
| Total Receipts | <u>4,425.40</u> |
| Expenditures | |
| Personal Services | - |
| Contractual Services | 334.34 |
| Commodities | 3,590.68 |
| Capital Outlay | - |
| | <u>3,925.02</u> |
| Total Expenditures | <u>3,925.02</u> |
| Receipts Over (Under) Expenditures | 500.38 |
| Unencumbered Cash, January 1 | <u>7,381.70</u> |
| Unencumbered Cash, December 31 | <u>\$ 7,882.08</u> |

GOVE COUNTY, KANSAS

BIO TERRORISM REGIONALIZATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | <u>Actual</u> |
|------------------------------------|-----------------------------|
| Cash Receipts | |
| Federal Aid | \$ 49,031.08 |
| Local Support | - |
| Miscellaneous | - |
| | <u> </u> |
| Total Receipts | <u>49,031.08</u> |
| Expenditures | |
| Personal Services | 44,423.77 |
| Contractual Services | 13,744.25 |
| Commodities | 341.88 |
| Capital Outlay | - |
| | <u> </u> |
| Total Expenditures | <u>58,509.90</u> |
| Receipts Over (Under) Expenditures | (9,478.82) |
| Unencumbered Cash, January 1 | <u>16,812.60</u> |
| Unencumbered Cash, December 31 | <u>\$ 7,333.78</u> |

GOVE COUNTY, KANSAS**SHERIFF RELIEF FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> |
|------------------------------------|-------------------------|
| Cash Receipts | |
| Miscellaneous | <u>\$ -</u> |
| Total Receipts | <u>-</u> |
| Expenditures | |
| Contractual | <u>-</u> |
| Total Expenditures | <u>-</u> |
| Receipts Over (Under) Expenditures | - |
| Unencumbered Cash, January 1 | <u>173.48</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 173.48</u></u> |

GOVE COUNTY, KANSAS**DEA SHERIFF FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> |
|------------------------------------|----------------------------|
| Cash Receipts | |
| Federal Seized Money | <u>\$ -</u> |
| Total Receipts | <u> -</u> |
| Expenditures | |
| Contractual | <u> -</u> |
| Total Expenditures | <u> -</u> |
| Receipts Over (Under) Expenditures | - |
| Unencumbered Cash, January 1 | <u>458.11</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 458.11</u></u> |

GOVE COUNTY, KANSAS**DIVERSION FEES FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> |
|------------------------------------|---------------------------|
| Cash Receipts | |
| Diversion Fees | <u>\$ 1,225.00</u> |
| Total Receipts | <u>1,225.00</u> |
| Expenditures | |
| Contractual | <u>240.00</u> |
| Total Expenditures | <u>240.00</u> |
| Receipts Over (Under) Expenditures | 985.00 |
| Unencumbered Cash, January 1 | <u>7,677.50</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 8,662.50</u></u> |

GOVE COUNTY, KANSAS

SHERIFF EMERGENCY PREPAREDNESS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

| | <u>Actual</u> |
|------------------------------------|----------------|
| Cash Receipts | |
| State of Kansas | \$ - |
| Miscellaneous | - |
| | <hr/> |
| Total Receipts | - |
| | <hr/> |
| Expenditures | |
| Close to General Fund | - |
| | <hr/> |
| Total Expenditures | - |
| | <hr/> |
| Receipts Over (Under) Expenditures | 0.00 |
| Unencumbered Cash, January 1 | - |
| | <hr/> |
| Unencumbered Cash, December 31 | <u>\$ 0.00</u> |

GOVE COUNTY, KANSAS

SIEZED (SHERIFF) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | <u>Actual</u> |
|------------------------------------|-----------------------------|
| Cash Receipts | |
| Siezed Money | \$ 26,000.00 |
| Miscellaneous | - |
| | <u> </u> |
| Total Receipts | <u>26,000.00</u> |
| Expenditures | |
| Contractual Services | - |
| Commodities | - |
| Capital Outlay | - |
| | <u> </u> |
| Total Expenditures | <u>-</u> |
| Receipts Over (Under) Expenditures | 26,000.00 |
| Unencumbered Cash, January 1 | <u>-</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 26,000.00</u></u> |

GOVE COUNTY, KANSAS**PORTA COUNT MACHINE FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> |
|------------------------------------|------------------------------|
| Cash Receipts | |
| State of Kansas | <u>\$ 795.78</u> |
| Total Receipts | <u>795.78</u> |
| Expenditures | |
| Contractual Services | <u>230.86</u> |
| Total Expenditures | <u>230.86</u> |
| Receipts Over (Under) Expenditures | 564.92 |
| Unencumbered Cash, January 1 | <u>5.00</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 569.92</u></u> |

GOVE COUNTY, KANSAS**CHRONIC DISEASE RISK FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> |
|------------------------------------|---------------------------|
| Cash Receipts | |
| State of Kansas | \$ 5,720.00 |
| Miscellaneous | - |
| | <u> </u> |
| Total Receipts | <u>5,720.00</u> |
| Expenditures | |
| Capital Outlay | - |
| | <u> </u> |
| Total Expenditures | <u>-</u> |
| Receipts Over (Under) Expenditures | 5,720.00 |
| Unencumbered Cash, January 1 | <u>-</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 5,720.00</u></u> |

GOVE COUNTY, KANSAS**OIL & GAS VALUATION DEPLETION FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> |
|------------------------------------|-----------------------------|
| Cash Receipts | |
| State of Kansas | \$ 470,494.68 |
| Interest | 437.64 |
| | <u>470,932.32</u> |
| Total Receipts | <u>470,932.32</u> |
| Expenditures | |
| Capital Outlay | <u>-</u> |
| Total Expenditures | <u>-</u> |
| Receipts Over (Under) Expenditures | 470,932.32 |
| Unencumbered Cash, January 1 | <u>-</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 470,932.32</u></u> |

GOVE COUNTY, KANSAS

TREASURER MOTOR VEHICLE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | <u>Actual</u> |
|------------------------------------|----------------------------|
| Cash Receipts | |
| Collection Fees | \$ 37,955.05 |
| State Payment | 775.00 |
| Miscellaneous | 30.00 |
| | <u>38,760.05</u> |
| Total Receipts | <u>38,760.05</u> |
| Expenditures | |
| Personal Services | 6,616.00 |
| Contractual Services | 6,904.59 |
| Commodities | 1,750.72 |
| Capital Outlay | 1,707.97 |
| Transfer to General Fund | 11,770.18 |
| | <u>28,749.46</u> |
| Total Expenditures | <u>28,749.46</u> |
| Receipts Over (Under) Expenditures | 10,010.59 |
| Unencumbered Cash, January 1 | <u>11,770.18</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 21,780.77</u></u> |

GOVE COUNTY, KANSAS**PROSECUTING ATTORNEY TRAINING FUND**

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

| | <u>Actual</u> |
|------------------------------------|------------------------------|
| Cash Receipts | |
| Case Fees | <u>\$ 3,653.00</u> |
| Total Receipts | <u>3,653.00</u> |
| Expenditures | |
| KPT&AI | 2,315.51 |
| Contractual Services | <u>1,676.31</u> |
| Total Expenditures | <u>3,991.82</u> |
| Receipts Over (Under) Expenditures | (338.82) |
| Unencumbered Cash, January 1 | <u>5,382.54</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 5,043.72</u></u> |

GOVE COUNTY, KANSAS**ATTORNEY'S TRUST FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> |
|------------------------------------|----------------------------|
| Cash Receipts | |
| Receipts | \$ 70.00 |
| Sheriff's Sale/Forfeited Money | - |
| | <u>70.00</u> |
| Total Receipts | <u>70.00</u> |
| Expenditures | |
| Commodities | - |
| Capital Outlay | - |
| | <u>-</u> |
| Total Expenditures | <u>-</u> |
| Receipts Over (Under) Expenditures | 70.00 |
| Unencumbered Cash, January 1 | <u>18,927.57</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 18,997.57</u></u> |

GOVE COUNTY, KANSAS

LAW ENFORCEMENT TRUST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

| | <u>Actual</u> |
|------------------------------------|----------------------------|
| Cash Receipts | |
| Sheriff's Sale/Forfeited Money | \$ - |
| Drug Control - State of Kansas | - |
| Miscellaneous Income | - |
| | <u>-</u> |
| Total Receipts | <u>-</u> |
| Expenditures | |
| Contractual Services | 2,224.08 |
| Commodities | 2,226.99 |
| Capital Outlay | - |
| Miscellaneous | - |
| | <u>-</u> |
| Total Expenditures | <u>4,451.07</u> |
| Receipts Over (Under) Expenditures | (4,451.07) |
| Unencumbered Cash, January 1 | <u>48,491.97</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 44,040.90</u></u> |

GOVE COUNTY, KANSAS**CONCEALED CARRY FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2012**

| | <u>Actual</u> |
|------------------------------------|---------------------------|
| Cash Receipts | |
| Concealed Carry Licenses | <u>\$ 910.00</u> |
| Total Receipts | <u>910.00</u> |
| Expenditures | |
| Contractual Services | - |
| Commodities | - |
| Miscellaneous | <u>-</u> |
| Total Expenditures | <u>-</u> |
| Receipts Over (Under) Expenditures | 910.00 |
| Unencumbered Cash, January 1 | <u>2,167.50</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 3,077.50</u></u> |

GOVE COUNTY, KANSAS**K-9 FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012**

| | <u>Actual</u> |
|------------------------------------|--------------------------------|
| Cash Receipts | |
| Sheriff Fees | <u>\$ 85.00</u> |
| Total Receipts | <u>85.00</u> |
| Expenditures | |
| Miscellaneous | <u>-</u> |
| Total Expenditures | <u>-</u> |
| Receipts Over (Under) Expenditures | 85.00 |
| Unencumbered Cash, January 1 | <u>390.00</u> |
| Unencumbered Cash, December 31 | <u><u>\$ 475.00</u></u> |

GOVE COUNTY, KANSAS

AGENCY FUNDSSUMMARY OF RECEIPTS AND DISBURSEMENTS - ACTUAL
For the Year Ended December 31, 2012

| | Beginning Cash <u>Balance</u> | <u>Receipts</u> | <u>Disbursements</u> | Ending Cash <u>Balance</u> |
|---------------------------------|-------------------------------------|-------------------------|-------------------------|----------------------------------|
| Distributable Funds: | | | | |
| Ad Valorem Tax - 2011 | \$ 4,422,873.19 | \$ - | \$ 4,422,873.19 | \$ - |
| Ad Valorem Tax - 2012 | - | 7,163,455.84 | 2,183,811.72 | 4,979,644.12 |
| Delinquent Tax | 27,669.56 | 35,767.46 | 38,861.93 | 24,575.09 |
| Motor Vehicle Tax | 117,916.85 | 468,490.46 | 437,491.11 | 148,916.20 |
| Recreational Vehicle Tax | 2,918.45 | 12,424.75 | 12,224.34 | 3,118.86 |
| Total Distributable Funds | <u>4,571,378.05</u> | <u>7,680,138.51</u> | <u>7,095,262.29</u> | <u>5,156,254.27</u> |
| State Funds: | | | | |
| State Educational Bldg. | - | 59,782.80 | 59,782.80 | - |
| State Institutional Bldg. | - | 29,891.30 | 29,891.30 | - |
| State General Fund | - | - | - | - |
| State Motor Vehicle | - | - | - | - |
| I & C Tax Collections | 35,215.87 | 192,671.42 | 223,624.32 | 4,262.97 |
| Drivers License | - | 6,826.00 | 6,825.00 | 1.00 |
| Homestead | - | - | - | - |
| Stray Animal | - | 832.51 | 410.00 | 422.51 |
| Total State Funds | <u>35,215.87</u> | <u>290,004.03</u> | <u>320,533.42</u> | <u>4,686.48</u> |
| Subdivision Funds: | | | | |
| School Districts | - | 2,549,482.23 | 2,521,353.71 | 28,128.52 |
| Cities | - | 646,182.19 | 646,182.19 | - |
| Townships | - | 48,009.96 | 48,009.96 | - |
| Fire Districts | 11,124.54 | 155,045.29 | 160,231.09 | 5,938.74 |
| Golden Prairie Extension | - | 85,087.01 | 85,087.01 | - |
| Northwest Kansas Library System | - | 56,325.36 | 56,325.36 | - |
| Special Assessment | 17,735.17 | 22,408.29 | 22,803.21 | 17,340.25 |
| Total Subdivision Funds | <u>28,859.71</u> | <u>3,562,540.33</u> | <u>3,539,992.53</u> | <u>51,407.51</u> |
| Plan #502 Worksite | 123,028.47 | 137,580.11 | 123,279.09 | 137,329.49 |
| DebtServ Hospital Revenue Bond | - | 26,400.00 | 26,400.00 | - |
| Hospital Revenue Bond 2009 | - | 30,000.00 | 30,000.00 | - |
| Fee Offices | 129,727.98 | 862,882.89 | 958,548.89 | 34,061.98 |
| Total | <u>\$ 4,888,210.08</u> | <u>\$ 12,589,545.87</u> | <u>\$ 12,094,016.22</u> | <u>\$ 5,383,739.73</u> |

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•
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COMMUNICATION WITH THOSE CHARGED WITH
GOVERNANCE AT THE CONCLUSION OF THE AUDIT
& COMMUNICATION OF SIGNIFICANT DEFICIENCIES

June 28, 2013

To County Commissioners
Gove County Courthouse
Gove, KS 67736

We have audited the regulatory basis financial statement of Gove County, Kansas, for the year ended December 31, 2012.

In planning and performing our audit of the financial statement of Gove County, Kansas as of and for the year ended December 31, 2012, in accordance with auditing standards generally accepted in the United States of America and Kansas Municipal Audit and Accounting Guide, we considered Gove County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Gove County's internal control. Accordingly, we do not express an opinion on the effectiveness of Gove County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and corrects misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control that we consider to be significant deficiencies.

Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 25, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Gove County, Kansas are described in Note 1 to the financial statement. No new accounting policies were adopted and the application of existing policies was not changed during 2012. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statement in the proper period.

Accounting estimates are an integral part of the financial statement prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statement and because of the possibility that future events affecting them may differ significantly from those expected. No estimates were made by management for the year ended December 31, 2012.

Certain financial statement disclosures can be particularly sensitive because of their significance to financial statement users. For the year ended December 31, 2012, there were no sensitive disclosures that were included in the financial statement.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statement or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 28, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statement or a determination of the type of auditor's opinion that may be expressed on the statement, our professional standards require the consulting accountant to

check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We also noted other matters relating to the accounting procedures and system of internal control utilized by the County in maintaining its financial records in accordance with cash basis and budget laws of the State of Kansas.

The following matters as discussed below were considered during our audit of the financial statement as of December 31, 2012, and these comments do not modify the opinion expressed in our audit report on such financial statements and are not considered material weaknesses or significant deficiencies:

- 1) The limited staff size does not provide for adequate separation of duties. Due to the small entity size, it would not be financially feasible to hire additional staff to maintain a better separation of duties.
- 2) K.S.A. 10-1113 states that expenditures are made in compliance with the cash basis law which requires that no indebtedness be created for a fund in excess of available monies in that fund. Municipalities are required to keep an unencumbered cash balance of zero or above in each individual fund at all times. Due to a posting error discovered during the audit procedures, an adjustment was necessary on the books, which in turn caused a violation of this statute. The Employee Benefits Fund had a negative unencumbered cash balance at the end of the year.
- 3) There were a few minor posting errors to the general ledger found in 2012. A list of errors has been given to the Treasurer & Clerk to make the necessary adjustments to the books.
- 4) It is also recommended that when stating approval for vouchers in the minutes that the range of voucher numbers that were approved are listed in the minutes.

This information is intended solely for the use of the County Commissioners and management of Gove County, Kansas and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



David E. Leopold
Certified Public Accountant